GOVERNMENT OF INDIA
STEEL
LOK SABHA

UNSTARRED QUESTION NO:1628
ANSWERED ON:23.08.2007
IMPORT OF STEEL
Singh Shri Mohan

Will the Minister of STEEL be pleased to state:

(a) the average consumption of steel in India per year, the percentage of supply from domestic produce and from import respectively;

(b) the percentage of supply by the public sector industries and the percentage of supply by the private sector industries of domestic steel;

(c) whether 48-49% of steel had been imported in the first quarter of the year 2007 and a major part of this came from former USSR and China;

(d) if so, whether the Government is aware that imported steel is cheaper than the domestic steel; and

(e) if so, the steps taken by the Government to enhance the production of steel to save the domestic steel industries?

Answer

MINISTER OF STATE IN THE MINISTRY OF STEEL (DR. AKHILESH DAS)

(a) During 2006-07, the consumption of finished non-alloy steel was 43.743 million tonnes (provisional).The percentage share of domestic supply from domestic produce and of imports in total domestic availability is given below:

Year	Finished non-alloy steel (unit: '000 tonnes)					
	Net production for sale	Exports	Domestic supply from domestic produce	Imports	Adjustments for inter-plant transfers etc.	Total stocks, domestic availability
	a	b	c = (a-b)	d	e	f = a-b+d-e
2006-07 (Prov.)	49575	4750	44825 (92%)	4100 (8%)	5182	43743

[Source: Joint Plant Committee]
[Figures in bracket are % of total)

(b) The percentage of supply by the public sector industries and the percentage of supply by the private sector industries of domestic steel is given below;

Year / Item	Finished non-alloy steel (unit: '000 tonnes)		
	Public sector units	Private sector units	Total
2006-07 (Prov.)			
Net Production for sale	12962 (26%)	36613 (74%)	49575
Exports	309	4441	4750
Domestic supply from domestic produce	12653(28%)	32172(72%)	44825

(Source: Joint Plant Committee [Figures in bracket are % of total]

(c) Import of finished non-alloy steel from CIS and China taken together accounted for 43% of total imports during the first quarter of 2007-08.

(d) It is difficult to compare the landed cost of imported steel products with domestic price as it varies from consignment to consignment, country to country, grade to grade and other specifications.

(e) The Government has taken several steps to increase the steel capacity in the country by way of expansion of public sector steel plants and adoption of various policy measures to encourage creation of additional steel production capacity in the private sector. The Government has also constituted an Inter Ministerial Group (IMG) consisting of Secretaries of concerned Ministries/Departments of Government of India as well as Chief Secretaries of concerned State Governments to coordinate and monitor the steel investments in India